

Town of Dougherty, Oklahoma
Agreed Upon Procedures Report
Year Ended June 30, 2010

The logo consists of the letters 'RHJ' in a bold, serif font, centered within a rectangular box with a light blue gradient and a dark border.

RHJ

TOWN OF DOUGHERTY, OKLAHOMA
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RAHHAL HENDERSON JOHNSON, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report on Applying Agreed-Upon Procedures

To the Specified Users of the Report:

Town Council, Town of Dougherty
Dougherty, Oklahoma 73032

Trustees of the Dougherty Public Works Authority
Dougherty, Oklahoma 73032

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

Oklahoma Department of Commerce
Oklahoma City, Oklahoma

Southern Oklahoma Development Authority
Durant, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances-Cash Basis of the Town of Dougherty and Dougherty Public Works Authority, Dougherty, Oklahoma as of June 30, 2010 and the related Budgetary Comparison Schedule of General Fund, and Grant Fund – Cash Basis, and Schedule of Grant Activity-Cash Basis for the fiscal year ended June 30, 2010 and the accompanying supplementary information contained in Exhibit C which is presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared in a format and basis of accounting, as prescribed by Oklahoma Statutes, that demonstrates compliance with the cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting information in the form of financial statements prescribed by Oklahoma Statutes that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

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The accompanying statements were prepared for the purpose of complying with financial accountability requirements as prescribed by Oklahoma Statutes Title 11 – 17(105-107) and Title 60 – 180.1-.3. This is not intended to be a complete presentation of the Town of Dougherty’s assets and liabilities.

Additionally, we have performed the procedures enumerated below which were agreed to by the Town Council and Trustees of the Town of Dougherty, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town in meeting its financial accountability requirements as prescribed by Oklahoma Statutes Title 11 – 17 (105-107) and 60 – 180.1-.3 and to evaluate compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2010. Management of the Town of Dougherty is responsible for the Town’s financial accountability and its compliance with those legal and contractual requirements. This agreed upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Procedures and Findings

As to the **Town of Dougherty** as of and for the fiscal year ended June 30, 2010:

1. ***Procedures Performed:*** From the Town’s trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit A) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: No exceptions found.

2. ***Procedures Performed:*** From the Town’s trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds listing separately each fund (see accompanying Exhibit B and B-1) and compared the actual expenditures of encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

Findings:

Condition – Except for the following, actual expenditures of encumbrances compared to the authorized appropriations complied with the appropriation limitations:

The Grant Fund actual expenditures exceeded authorized appropriations due to no budget being adopted for the Grant Fund.

Criteria – Oklahoma Statutes Title 11, §17-211

3. ***Procedures Performed:*** We agreed the Town's bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

***Findings:* No exceptions found.**

4. ***Procedures Performed:*** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

***Findings:* No exceptions found.**

5. ***Procedures Performed:*** We compared use of restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings:

Condition – Except for the following, restricted revenue and expenditures complied with the restriction:

Two of eight expenditures examined in the Fire Fund were paid from statements without supporting invoices. One of eight had no support.

All expenditures should be supported by invoices.

Criteria – Oklahoma Statutes Title 62, §310.1

6. ***Procedures Performed:*** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

***Findings:* No exceptions found.**

As to the **Dougherty Public Works Authority** as of and for the fiscal year ended June 30, 2010:

1. ***Procedures Performed:*** From the Authority's trial balances, we prepared a schedule of revenues, expenses and changes in fund balances for each fund (see accompanying Exhibit A) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instances of noncompliance.

***Findings:* No exceptions found.**

2. ***Procedures Performed:*** We agreed the Authority's bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: No exceptions found.

3. ***Procedures Performed:*** We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No exceptions found.

4. ***Procedures Performed:*** We compared use of restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No exceptions found.

5. ***Procedures Performed:*** We compared the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: No exceptions found.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than those specified parties.

Rahhal Henderson Johnson, PLLC

December 29, 2011
Ardmore, Oklahoma

TOWN OF DOUGHERTY, OKLAHOMA
Summary of Changes in Fund Balances – Cash Basis
For the Year Ended June 30, 2010

	Fund Balances Beginning	Revenue	Expenditures	Fund Balances Ending
CITY:				
General Fund	\$ 946	\$ 10,809	\$ 11,492	\$ 263
Street and Alley Fund	176	2,042	2,218	-
Fire Department Fund	5,402	6,100	7,224	4,278
Enterprise Fund	1,820	-	-	1,820
Grant Fund	27	133,995	132,253	1,769
City Subtotal	8,371	152,946	153,187	8,130
PUBLIC WORKS AUTHORITY:				
PWA Fund	3,837	73,733	75,222	2,348
Overall Totals	<u>\$ 12,208</u>	<u>\$ 226,679</u>	<u>\$ 228,409</u>	<u>\$ 10,478</u>

See Accountant's Agreed Upon Procedures Report.

TOWN OF DOUGHERTY, OKLAHOMA
Budgetary Comparison Schedule – Cash Basis
General Fund
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 800	\$ 800	946	\$ 146
Resources (Inflows):				
Sales Tax	7,100	7,100	5,030	(2,070)
Tobacco/Cigarette Tax	100	100	71	(29)
Alcoholic Beverage Tax	1,500	1,500	1,445	(55)
Franchise Tax	4,200	4,200	4,263	63
Miscellaneous Income	100	100	-	(100)
Total Inflows	13,000	13,000	10,809	(2,191)
Charges to Appropriations (Outflows):				
General Government	14,000	14,000	11,492	2,508
Total Outflows	14,000	14,000	11,492	2,508
Excess of Inflows over Outflows before				
Other Financing Sources (Uses)	(200)	(200)	263	463
Other Financing Sources (Uses)	200	200	-	(200)
Ending Budgetary Fund Balance	\$ -	\$ -	\$ 263	\$ 263

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**TOWN OF DOUGHERTY, OKLAHOMA
 Budgetary Comparison Schedule – Cash Basis
 Grant Fund
 For the Year Ended June 30, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Beginning Budgetary Fund Balance:	\$ -	\$ -	\$ 27	\$ 27
Resources (Inflows):				
Miscellaneous	-	-	-	-
Grants	-	-	133,995	133,995
Total Inflows	-	-	133,995	133,995
Charges to Appropriations (Outflows):				
Capital Outlays	-	-	132,253	(132,253)
Total Outflows	-	-	132,253	(132,253)
Excess of Inflows over Outflows before other Financing Sources (Uses)	-	-	1,769	1,769
Other Financing Sources (Uses)	-	-	-	-
Ending Budgetary Fund Balance:	\$ -	\$ -	\$ 1,769	\$ 1,769

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TOWN OF DOUGHERTY, OKLAHOMA
Grant Schedule
For the Year Ended June 30, 2010

Awarding Agency	Grant Number	Total Award	Amount Received Current Year	Amount Expended Current Year
Southern Oklahoma Development Association	REAP CDBG 08-05	\$ 71,033	\$ 61,373	\$ 61,373
Southern Oklahoma Development Association	REAP 08-0166	\$ 2,144	\$ 1,044	\$ 1,044
Southern Oklahoma Development Association	REAP 09-055	\$ 38,000	\$ 6,090	\$ 6,090
Oklahoma Department of Commerce	13075 CDBG 07	\$ 71,033	\$ 65,488	\$ 65,488
State of Oklahoma - Department of Agriculture	Fire Grant	\$ 6,100	\$ 6,100	\$ 6,100

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